

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES  
PRIORITY MAIL EXPRESS & PRIORITY MAIL CONTRACT 12  
(MC2013-33)  
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2013-44

**NOTICE OF UNITED STATES POSTAL SERVICE OF  
CHANGE IN PRICES PURSUANT TO AMENDMENT TO  
PRIORITY MAIL EXPRESS & PRIORITY MAIL CONTRACT 12  
(July 31, 2015)**

The Postal Service hereby provides notice that prices under Priority Mail Express & Priority Mail Contract 12, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail Express & Priority Mail Contract 12 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective one business day after the day that the Commission completes its review of this filing.

The supporting financial documentation and a certified statement, as required by 39 C.F.R. § 3015.5, are included with this filing. The certified statement is provided in Attachment B. Redacted versions of the financial analysis are being filed today along with this pleading. Unredacted versions are being filed under seal. The Postal Service's original application for non-public treatment in this docket is hereby incorporated by reference for the protection of these materials.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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July 31, 2015

**ATTACHMENT A**

**REDACTED AMENDMENT TO  
PRIORITY MAIL EXPRESS & PRIORITY MAIL CONTRACT 12**

**AMENDMENT 2**  
**OF**  
**SHIPPING SERVICES CONTRACT**  
**BETWEEN**  
**THE UNITED STATES POSTAL SERVICE**  
**AND**  
[REDACTED]  
**REGARDING PRIORITY MAIL EXPRESS AND**  
**PRIORITY MAIL SERVICE**

WHEREAS, the United States Postal Service (“the Postal Service”) and [REDACTED] (“Customer”) entered into a shipping services contract regarding Priority Mail Express and Priority Mail service on January 17, 2013.

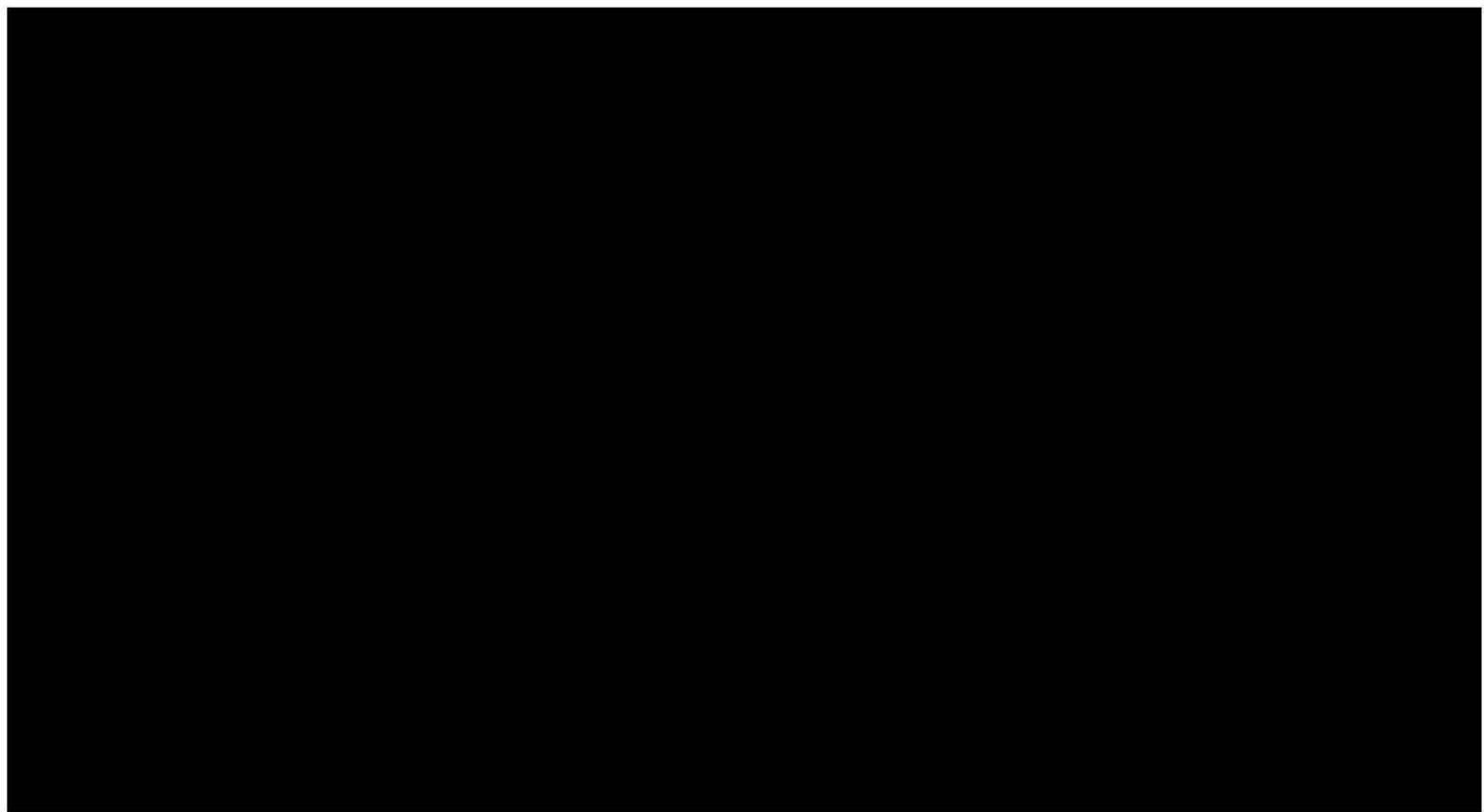
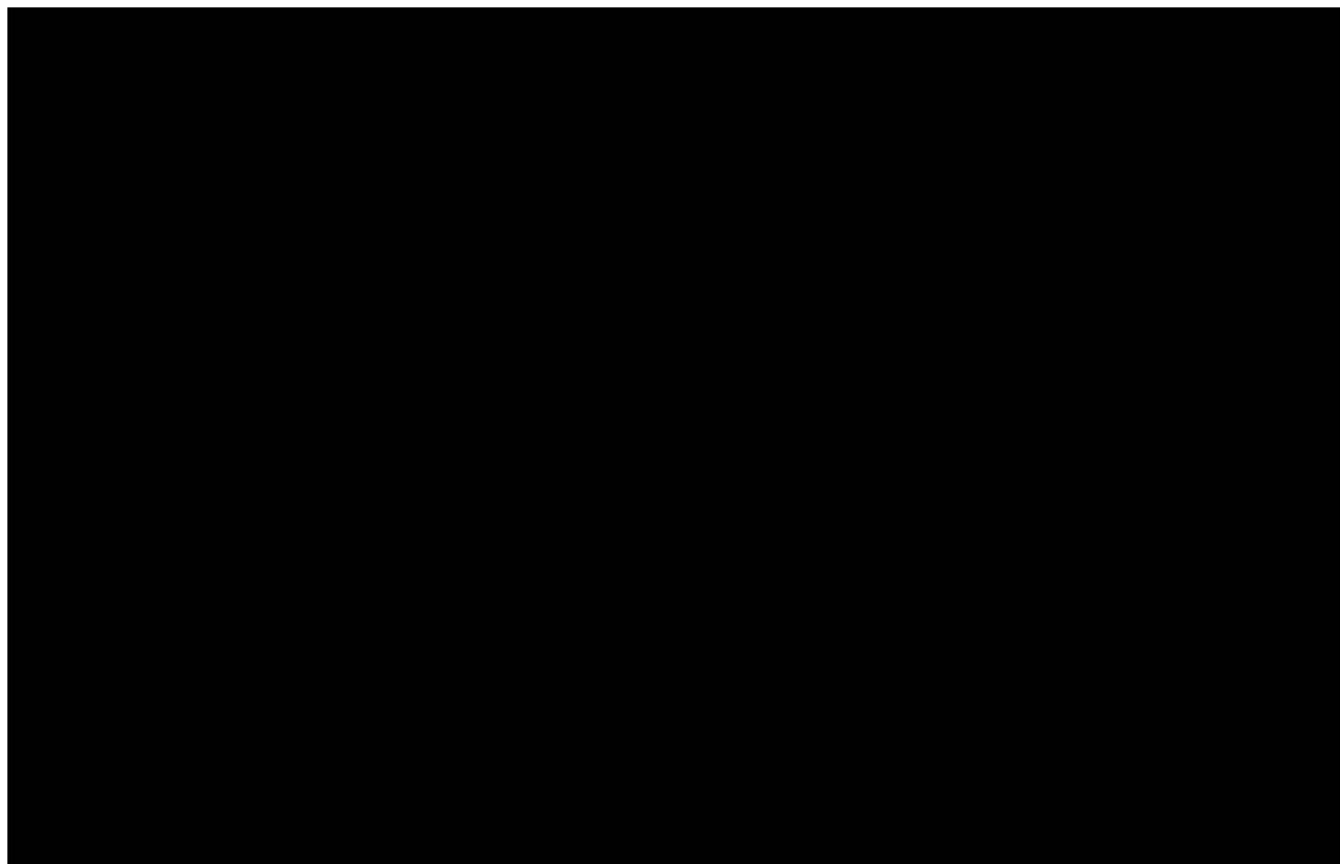
WHEREAS, the Parties desire to amend Section I by inserting new Sections I.F and I.G, and replace Section II in its entirety.

NOW, THEREFORE, the Parties agree that the contract is hereby amended as detailed below. The existing contract remains unchanged in all other respects. This amendment shall become effective one business day following the day on which the Commission issues all necessary regulatory approval and is not retroactive.

[Insert new Section I.F, as follows:]

**I. Terms**

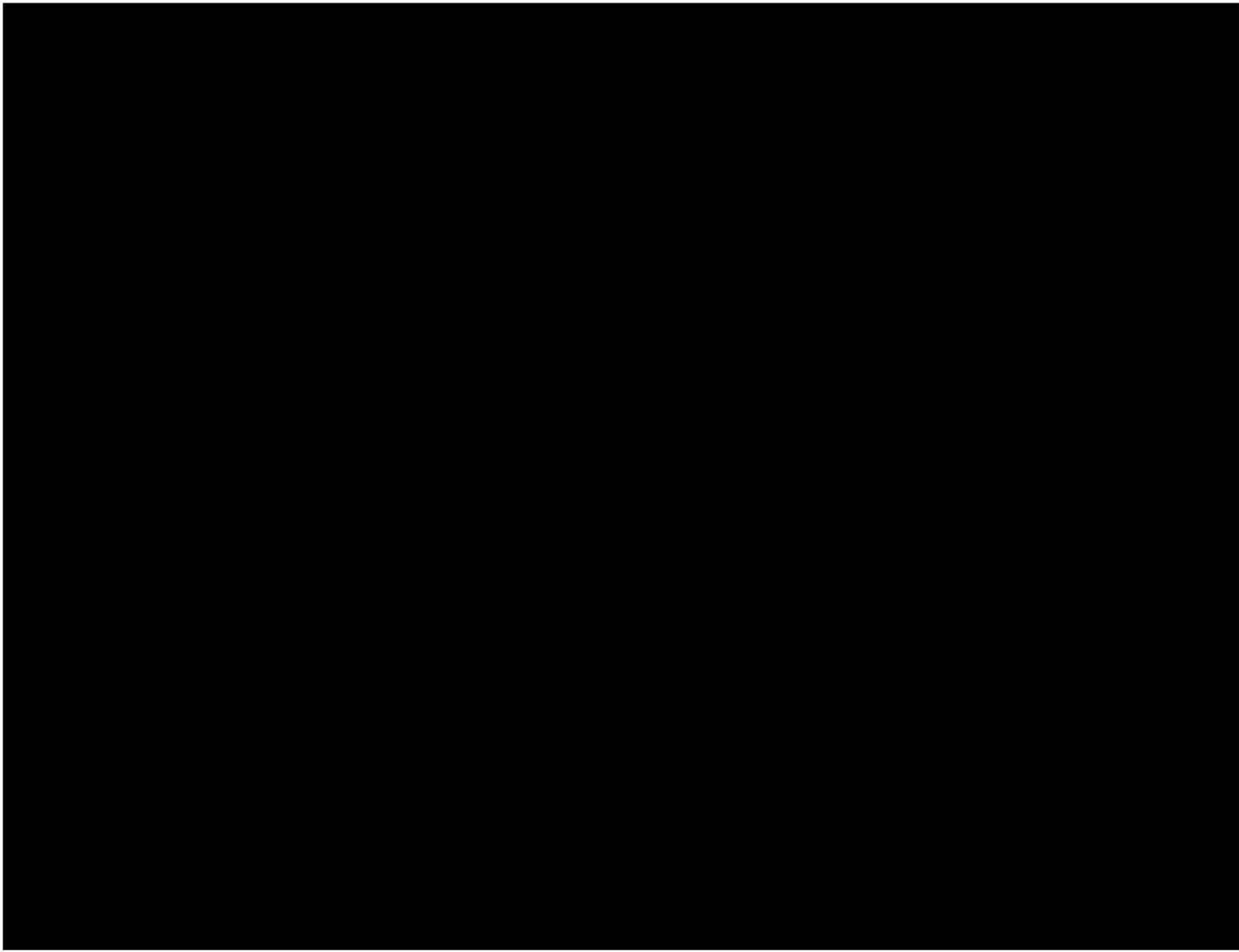
- F. 180 Day Contract Price. Beginning on the effective date of Amendment 2, Customer will receive the Tier 2 percentage discounts off of the current published Commercial Plus prices for the respective products, pursuant to the tables below, for a period of 180 days. Contract prices will be calculated by the Postal Service and rounded up to the nearest whole cent.
1. Customer must ship a minimum of [REDACTED] Contract Packages in the [REDACTED] [REDACTED] range during this 180 day period to remain eligible for Tier 2 percentage discounts.
  2. The Postal Service will review Customer’s shipping data within fifteen (15) days after the conclusion of each 180 day period and will extend Tier 2 percentage discounts for additional 180 day periods if Customer meets the volume threshold in Section F.1 above.



[Insert new Section I.G, as follows:]

**I. Terms**

- G. Subsequent Contract Prices. Should Customer fail to meet the established volume threshold in Section F.1 for any 180 day period, Customer will be permanently reverted back to Tier 1 percentage discounts, pursuant to the tables below. The Postal Service will notify Customer within fifteen (15) days of the start of any quarter in which Tier 1 rates are applicable. Contract prices will be calculated by the Postal Service and rounded up to the nearest whole cent. and will be effective upon notice and within fifteen (15)



[Replace Section II in its entirety, as follows:]

## II. Annual Adjustment

For subsequent years of the contract, Customer will continue to pay the percentage discounts off of the current published Commercial Plus prices for the respective products, pursuant to Sections I.F and I.G, throughout the remaining term of the contract. Contract prices will be calculated by the Postal Service and rounded up to the nearest whole cent.

IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be duly executed as of the later date below:

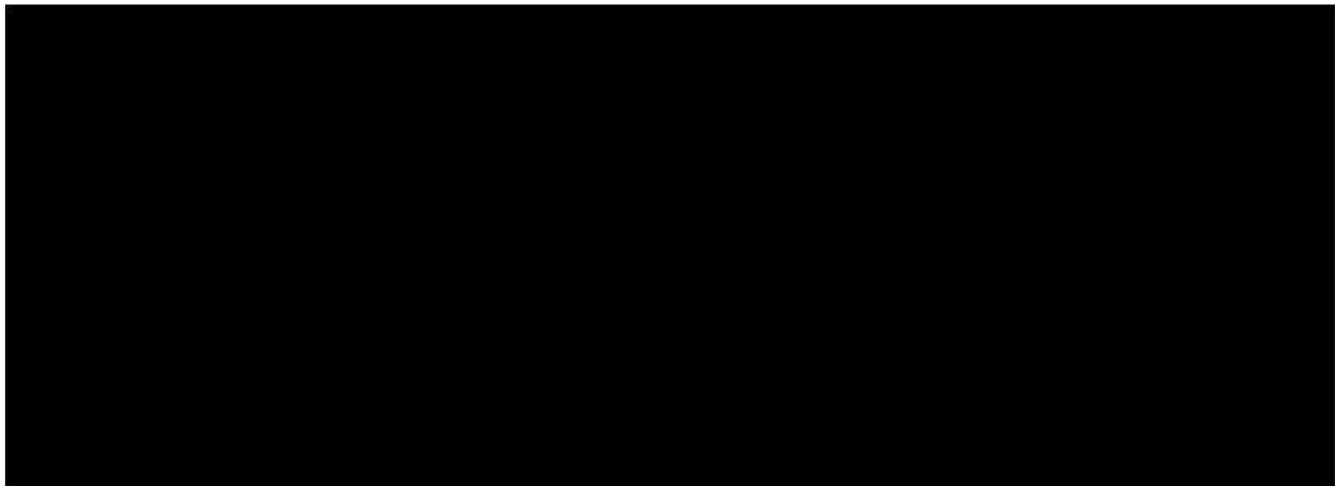
UNITED STATES POSTAL SERVICE

Signed by: Cliff Rucker

Printed Name: Cliff Rucker

Title: VP Sales

Date: 6/24/15





**ATTACHMENT B**  
**FINANCIAL CERTIFICATION**

**Certification of Prices for Amendment to  
Priority Mail Express & Priority Mail Contract 12**

I, Joseph G. Hurley, Acting Manager, Regulatory Reporting and Cost Analysis, Finance Department, am familiar with the prices and terms for the amendment to Priority Mail Express & Priority Mail Contract 12. The amended prices and terms contained in this Contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (Governors' Decision No. 11-6).

I hereby certify, based on in the financial analysis provided herewith, that the amended prices are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). They are expected to cover attributable costs. There should therefore be no subsidization of competitive products by market dominant products. The amended contract should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

  
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Joseph G. Hurley